

IN THE CLAIMS:

1. (Original) An automated method of card acceptance for processing financial transactions using a debit or credit protocol comprising the steps of

using an in store terminal to machine read a financial transaction card and obtain a primary account number associated therewith,

providing said primary account number to a database of card information and comparing the primary account number with said database to provide a preliminary assessment categorizing the card as

- 1) known to be debit capable,
- 2) unknown to be debit capable, or
- 3) known to be only credit capable,

processing known only credit capable cards using a credit protocol,

processing known debit capable cards using a modified debit protocol that initially assumes a PIN authorization debit protocol and prompts the cardholder to enter the PIN authorization, said modified debit protocol defaulting to a different authorization debit protocol or credit protocol when a request to override is received and thereafter following the protocol according to the request to override, and

processing unknown to be debit capable cards using a protocol that initially requires a clarification signal selecting a debit or credit protocol and completing the transaction according to the selected protocol.

2. (Original) An automated method as claimed in claim 1 wherein the debit protocol for unknown to be debit capable cards is said modified debit protocol.

3. (Original) An automated method as claimed in claim 1 including the step of tracking clarification indicating a debit transaction and recording of the primary account number associated therewith to update the database whereby future transactions using the transaction card will be categorized as a debit capable card.

4. (Original) An automated method as claimed in claim 1 wherein the step of comparing the primary account number with the database occurs at a store where said instore terminal is located.

5. (Original) An automated method as claimed in claim 1 wherein the step of comparing the primary account number is completed within 5 seconds of machine reading the primary account number.

6. (Original) An automated method as claimed in claim 1 including the step of defaulting to the protocol of unknown debit capable cards if the step of assessing the card is not completed within a specified time.

7. (Original) An automated method as claimed in claim 6 wherein said specified time is less than 10 seconds.

8. (Original) An automated method as claimed in claim 1 including watching each transaction of an unknown debit capable card for successful completion based on a debit protocol and taking steps to update the database such that future transactions using the respective card will be processed as a known debit capable card.

~~9. (canceled)~~

~~10. (canceled)~~

11. (Currently Amended) An automated method of card acceptance for processing of financial transactions originating at a point of sale computer system of a store site and being approved by a computer system of a remote financial institute,

said method comprising determining a primary account number of a financial transaction card presented for payment of the transaction,

providing the primary account number to said point of sale computer system and comparing the primary account number with a database of card bank identification numbers and conducting a preliminary assessment whether the particular transaction is capable of being settled using a debit point of sale transaction network,

requesting the entry of a PIN when the preliminary assessment indicates the capability of being settled as a debit transaction and upon entry of the PIN settling the transaction through a debit point of sale transaction network, and

settling the transaction through a credit transaction network if the card is not debit capable; and including in the event the preliminary assessment is uncertain whether the transaction is capable of being settled using a debit point of sale transaction network seeking additional information from the card holder with respect to entry of information clarifying whether the transaction is to be settled as a PIN based debit transaction or non PIN based transaction and thereafter using the appropriate PIN based settling through the debit point of sale transaction network or the credit network; and further

~~An automated method as claimed in claim 10~~ including adding to said database BIN information with respect to any PIN based debit transactions successfully settled where the preliminary assessment was uncertain whereby future transactions using the particular card will be recognized as capable of settlement using the debit point of sale transaction network.

12. (Original) An automated method as claimed in claim 11 including sharing any information added to said database with a related central database in communication with a plurality of point of sale computer systems and receiving information at said plurality of point of sale computer systems which updates the particular database based on information obtained from any of said point of sale computer systems.

13. (Canceled)

14. (Canceled)

15. (Canceled)

16. (Canceled)

17. (Canceled)

18. (Canceled)

19. (Canceled)

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